

# AR1328 ARKANSAS INDIVIDUAL INCOME TAX RETURN

## Working Taxpayer Credit

1998

Name:	Social Security Number:
-------	-------------------------

**GENERAL INSTRUCTIONS**

Act 328 of 1997 provides for up to a fifty dollar (\$50.00) tax credit against your Arkansas Individual Income Tax liability. The Working Taxpayer credit is equal to 2% (.02) of the total amount of the OASDI portion of the Social Security tax paid by each working taxpayer on qualifying income of up to \$40,000 per taxpayer.

**Note:** For self-employed taxpayers who pay both the employer and employee portions of OASDI or Social Security tax on their qualifying income, the amount of the credit is computed on one-half of the OASDI or Social Security tax paid on such income.

Complete the form below to compute the credit amount.

**TAXPAYERS WHO DO NOT QUALIFY FOR THE WORKING TAXPAYER CREDIT:**

1. TAXPAYERS WHO USE THE LOW INCOME TABLE. The Working Taxpayer Credit is already included in the Low Income Table so taxpayers using this table need not calculate the credit.
2. TAXPAYERS WHO CLAIM AN EXEMPTION (FIRST \$6,000) FOR MILITARY COMPENSATION PAY OR EMPLOYER SPONSORED PENSION INCOME (First \$6,000) DO NOT QUALIFY FOR THE WORKING TAXPAYER CREDIT. (You may elect **not** to claim the military compensation pay exclusion or the pension exclusion and take the Working Taxpayer Credit.)

**Part A**

	You		Spouse	
	YES	NO	YES	NO
1. Did you/your spouse use the Low Income Tax Table? .....				
2. Did you/your spouse take an exemption (First \$6,000) for Military Compensation Pay or Pension Income? .....				

If both you or your spouse answered **Yes** to questions 1 or 2 above **you do not qualify to take this credit. Do not complete this form.**

Only taxpayers answering **No** to questions 1 and 2 can take advantage of the credit. Complete Part B below using the qualifying taxpayers income(s).

**Part B**

	A YOUR INCOME	B SPOUSE'S INCOME
1. Wages, salaries, tips, etc. ....		
2. Military compensation pay, enter gross amount only: .....		
3. Minister's Income: _____ Less rental value: _____ .....		
4. Net farm income or (loss)* from Federal Schedule F (If combined amount is a loss, do not subtract. - enter zero "0"). .....		
5. Net profit or (loss)* from Federal Schedule C or CEZ and income from partnerships: (If combined amount is a loss, do not subtract. - enter zero "0"). .....		
6. Total Qualifying Income eligible for the Working Taxpayer Credit. Add Lines 1 through 5: .....	•	•
7. Allowable credit from Working Taxpayer Credit Schedule: (on reverse side) .....		
8. <b>TOTAL CREDIT:</b> Combine Lines 7A and 7B. Enter total here and on Line 44 of AR1000/AR1000 NR or Line 17 of AR1000S: .....		

***From your Qualifying Income Line 6 enter your allowable credit from the Schedule below on Line 7.***

**WORKING TAXPAYER CREDIT COMPUTATION SCHEDULE**

IF YOUR INCOME IS		YOUR CREDIT IS	IF YOUR INCOME IS		YOUR CREDIT IS
Under \$400		0	20,601 - 21,400		26
401 - 1,200		1	21,401 - 22,200		27
1,201 - 2,000		2	22,201 - 23,000		28
2,001 - 2,800		3	23,001 - 23,800		29
2,801 - 3,600		4	23,801 - 24,600		30
3,601 - 4,400		5	24,601 - 25,400		31
4,401 - 5,200		6	25,401 - 26,200		32
5,201 - 6,000		7	26,201 - 27,000		33
6,001 - 6,900		8	27,001 - 27,800		34
6,901 - 7,700		9	27,801 - 28,600		35
7,701 - 8,500		10	28,601 - 29,400		36
8,501 - 9,300		11	29,401 - 30,200		37
9,301 - 10,100		12	30,201 - 31,000		38
10,101 - 10,900		13	31,001 - 31,900		39
10,901 - 11,700		14	31,901 - 32,700		40
11,701 - 12,500		15	32,701 - 33,500		41
12,501 - 13,300		16	33,501 - 34,300		42
13,301 - 14,100		17	34,301 - 35,100		43
14,101 - 14,900		18	35,101 - 35,900		44
14,901 - 15,700		19	35,901 - 36,700		45
15,701 - 16,500		20	36,701 - 37,500		46
16,501 - 17,300		21	37,501 - 38,400		47
17,301 - 18,100		22	38,401 - 39,100		48
18,101 - 19,000		23	39,101 - 39,900		49
19,001 - 19,800		24	39,901 - 40,000		50
19,801 - 20,600		25	Over 40,000		50